

Members

Rep. Steve Heim, Chairperson
Rep. Dave Wolkins
Rep. Ryan Dvorak
Rep. Matt Pierce
Sen. Beverly Gard
Sen. Lindel Hume
Sen. Marvin Riegsecker
Sen. Karen Tallian
Dwayne Burke
Ellen Tobias
Ray Chattin
Dave Wyeth
Thomas Easterly
Steve Murray
Sara Davis
John Hardwick
Art Umble
Calvin Davidson



ENVIRONMENTAL QUALITY SERVICE COUNCIL

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MEETING MINUTES¹

Meeting Date: September 7, 2006
Meeting Time: 10:00 AM
Meeting Place: Governmental Center South, 302 W.
Washington St., Conference Room
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Meeting City: Indianapolis, Indiana
Meeting Number: 2

Members Present: Rep. Steve Heim, Chairperson; Rep. Dave Wolkins; Rep. Ryan Dvorak; Rep. Matt Pierce; Sen. Lindel Hume; Sen. Karen Tallian; Ray Chattin; Steve Murray; Sara Davis; John Hardwick; Art Umble; Calvin Davidson.

Members Absent: Sen. Beverly Gard; Sen. Marvin Riegsecker; Dwayne Burke; Ellen Tobias; Dave Wyeth; Thomas Easterly.

1. Call to Order

Rep. Heim called the meeting to order at 10:05 AM.

¹ Exhibits and other materials referenced in these minutes can be inspected and copied in the Legislative Information Center in Room 230 of the State House in Indianapolis, Indiana. Requests for copies may be mailed to the Legislative Information Center, Legislative Services Agency, 200 West Washington Street, Indianapolis, IN 46204-2789. A fee of \$0.15 per page and mailing costs will be charged for copies. These minutes are also available on the Internet at the General Assembly homepage. The URL address of the General Assembly homepage is <http://www.in.gov/legislative/>. No fee is charged for viewing, downloading, or printing minutes from the Internet.

2. Great Lakes Compact

Kyle Hupfer, Director, Indiana Department of Natural Resources, presented a report (Exhibit #1) on the Great Lakes - St. Lawrence River Basin Water Resources Compact. Mr. Hupfer explained some of the history of efforts by the United States government and the Canadian government to regulate diversions of water from the Great Lakes basin and water use in the basin. The Council of Great Lakes Governors entered into an agreement in 2005 to pursue the Compact. Mr. Hupfer outlined some of the details of the Compact concerning water diversion, intra-basin transfers, water use in the basin, conservation and efficiency, states' responsibilities, and regional implementation. None of the legislatures of the basin states has ratified the Compact. Congressional approval is also required.

Mr. Hupfer addressed questions from the members concerning restrictions on private diversion of water, including supplies to bottled water companies, the state's actions concerning rulemaking and potential ratification of the Compact, the Governor's support for the Compact, and the potential effect of the Compact on water quality initiatives.

3. Great Ships Initiative

Rich Cooper, Executive Director, Indiana Ports Commission, introduced the topic of invasive species in ballast water, and noted the importance of the adoption of HCR 35-2006 declaring support for the Great Ships Initiative. Steve Mosher, Burns Harbor Port Director, began the presentation of a report (Exhibit #2) on the Initiative, addressing the international shipping operations at Burns Harbor. Steve Fisher, Executive Director, American Great Lakes Ports Association, continued the presentation, addressing the following:

- ballast water requirements for oceangoing vessels
- the unintentional movement of organisms around the globe in ballast water
- the potential negative effects of invasive species
- current ballast water management requirements
- efforts to develop ballast water treatment systems
- federal and international action on the issue
- the goals, planned studies, and project status of the Initiative

Mr. Fisher addressed questions from the members concerning prospects for federal action, the time needed for development of treatment systems, actions taken by other states and Canada, and the problems in setting a generally accepted standard for ballast water treatment.

Mr. Fisher distributed to the members a document entitled Commercial Vessels Free of Invasive Species in the Great Lakes - St. Lawrence Seaway System (Exhibit #3).

4. Regional Sewer District Issues

Connie Stevens, board member of the Indiana Regional Sewer District Association, presented a report (Exhibit #4) entitled Indiana Regional Sewer Districts - Important Issues to Remember. The report summarizes the requirements to form, enlarge, or rescind a regional sewer district ("district"), the role of the district, state involvement with districts, and the benefits and costs of providing sewer service.

Sandra Flum, Director of Intergovernmental Relations, Indiana Department of Environmental Management, addressed IDEM's involvement with district issues. Ms. Flum indicated the extent to which district board members throughout the state are elected or

appointed. She addressed the procedure for IDEM approval of a local petition to form a district, the public hearing process, and the authority of IDEM to initiate the formation of a district in some cases. She addressed questions from the members concerning requirements for petitioners to document the need for a proposed district and the extent to which IDEM takes into account a potential overlap of sewer service that might result from the formation of a district.

Rep. Donald Lehe expressed his concern with the proposed inclusion of territory in Carroll County in the Twin Lakes Regional Sewer District, and indicated that Rep. Eric Gutwein and Rep. Richard McClain were also present at the meeting and shared his concerns. He distributed various documents (Exhibit #5) and introduced Pat Robertson, a concerned citizen from Carroll County.

Ms. Robertson expressed her view that laws concerning district expansion must provide adequate notice to property owners, that district board members should all be elected, that district boards must be held to a higher standard of accountability, that districts should not be permitted to cross county lines, and that written plans for expansion areas must be made available to property owners.

Tom Spackman, who represents Indiana Beach, stated his view that the district law should provide for a citizens' advocate, that district board members should be elected from the population of the area served by the district, that districts should be limited to areas of demonstrated need, that district formation should be subject to a referendum, and that an area already served by a private sewage system should be excluded from the district.

Terry Dill questioned the logic of the extension by Twin Lakes of sewer services to areas where no water quality problems have been demonstrated. He noted that a permitted public wastewater treatment system releases pollutants to public waters, and that requiring properties with properly functioning septic systems to switch to public sewers only adds to the release.

John Julien, Umbaugh & Associates, addressed the reasons for the nonuniform application of sewer rates in districts. He addressed questions from the members concerning the possible application of uniform rates, and whether the State Board of Accounts performs cost of service studies for districts.

The Council heard from other residents of Carroll County concerning possible regulation by the Indiana Utility Regulatory Commission of the rates a district may charge, their perception that Twin Lakes is proposing expansion only to enhance its revenue, and their frustration that the lower cost benefits in the first two phases of Twin Lakes projects, which resulted from public grants and lower interest rates, do not apply to the proposed third phase.

Joe Smiley, a resident of Koontz Lake, Indiana, expressed his view that restrictions should be placed on the initiation of a district, that scientific proof of need should be required, and that it is bad policy for property owners to pay through the establishment of a district for their neighbors' failure to maintain septic systems.

Exhibit #6 is a memorandum and associated documents that Ken Biddle, Untalulti Improvements, Inc., Monticello, distributed to the members.

5. Adjournment

Rep. Heim adjourned the meeting at 12:30 PM.